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Nevada warns gold mine over dust, mercury emissions

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CARSON CITY, Nev. (AP) -- A gold mine in northeastern Nevada was ordered Thursday by state regulators to fix equipment that helps to control mercury emissions or face a shutdown of its ore processing plant.

The state Division of Environmental Protection order naming Queenstake Resources' Jerritt Canyon gold mine also says penalties to be determined after a formal investigation could range from a warning to fines of up to \$10,000 per day for each of five alleged violations.

Wendy Yang, vice president of investor relations for Denver-based Queenstake, issued a statement saying the company plans to spend about \$500,000 on upgrading its emission control systems at the Jerritt Canyon mine, located about 50 miles north of Elko.

The statement also says the upgrade is part of an effort started several years ago, and that the company welcomes the state's oversight and is "confident that we will quickly resolve these issues."

The state action is the first under new regulations adopted by Nevada to control airborne mercury emissions at precious metals mines. Under federal Environmental Protection Agency standards, Nevada will be limited to 570 pounds of mercury emissions a year from 2010 to 2017, and just 224 pounds yearly after that.

About 100 tons of mercury has been discharged into the environment from Nevada mines over the last 25 years, according to the EPA.

The state DEP said the Queenstake case came to a head in late October when the company conducted tests to meet initial requirements of the new rules. State inspectors were on hand and saw that dust containing mercury wasn't controlled in the ore-grinding process.

The order requires Queenstake to have all workers near an ore dryer and related equipment wear respiratory protection devices until repairs are made, determine total mercury emissions, and submit plans for fixing all leaks.

In efforts to deal with potential mercury emissions from all mines in Nevada, the state DEP, headed by Leo Drozdoff, is preparing to issue a \$250,000 contract for research into mercury emissions from heap leach pads, waste rock piles and tailing areas.

The state DEP's mercury control program, approved last March, is the first program of its sort in the nation. There are no federal regulations to control such emissions, the state said.

The order naming Queenstake follows a legislative hearing last week in which Drozdoff disputed claims that his division wasn't doing enough to regulate mercury pollution and said the state program exceeds federal requirements and could be used as a model for other states.

Lawmakers at a joint Senate-Assembly budget subcommittee hearing were concerned about a University of Nevada, Reno, report that found high concentrations of mercury in the air around mines.

Drozdoff questioned accuracy of the report, done by Glenn Miller, a professor of environmental sciences at UNR. Miller also is active in Great Basin Mine Watch, a nonprofit citizen group that monitors Nevada's mining industry.

On the Internet:

<http://ndep.nv.gov/mercury/mercury-briefing0207.htm>

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